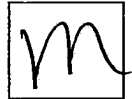


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02105A
Mount Tipton Water Co., Inc.
PO Box 38
Dolan Springs, AZ 86441

RECEIVED

APR 27 2008

AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
----	----	------

FOR COMMISSION USE

ANN 04	07
--------	----

PROCESSED BY:



SCANNED

COMPANY INFORMATIONCompany Name (Business Name) Mt. Tipton Water Co., Inc.Mailing Address P.O. Box 38Dolan Springs
(City)AZ
(State)86441
(Zip)(928) 767-3713
Telephone No. (Include Area Code)(928) 767-3053
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address MTTIPTONWCO@YAHOO.COMLocal Office Mailing Address SAME
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATIONManagement Contact: _____
(Name) (Title)SAME AS ABOVE.
(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

On Site Manager: JUDY MORGAN (OFFICE MANAGER)
(Name)SAME AS ABOVE
(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>N/A</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: <u>N/A</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> ^{NON-PROFIT} C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME M + Tipton WATER Co., IncUTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7873.44	1,889.70	5,983.74
302	Franchises	313.00	—	313.00
303	Land and Land Rights	3600.00	—	3600.00
304	Structures and Improvements	170,234.48	19,019.46	151,215.03
307	Wells and Springs	408,248.43	168,318.60	239,929.83
311	Pumping Equipment	97,450.34	64,961.75	32,488.59
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	57,112.00	32,090.40	25,021.60
331	Transmission and Distribution Mains	513,791.93	330,794.72	182,997.21
333	Services	96,205.00	51,237.33	44,967.67
334	Meters and Meter Installations	59,710.84	16,716.62	42,994.22
335	Hydrants	1,230.00	885.00	345.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	656,228.68	173,532.31	482,696.37
340	Office Furniture and Equipment	10,643.36	4,045.55	6,597.81
341	Transportation Equipment	27,539.87	17,189.28	10,350.59
343	Tools, Shop and Garage Equipment	2895.00	2,766.25	128.75
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment ^{AMORTIZATION AID TO CONST.}	<470,429.62>	<159,361.76>	<311,067.86>
348	Other Tangible Plant	34,581.54	12,886.96	21,694.58
	TOTALS	1,677,288.29	736,972.18	940,256.11

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

MTTIPTON WATER CO., INC

W 02105 A

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	78,73.44	.02	157.47
302	Franchises	313.00	—	—
303	Land and Land Rights	3600.00	—	—
304	Structures and Improvements	170,234.48	.02	3404.69
307	Wells and Springs	408,248.43	.03	13,164.01
311	Pumping Equipment	97,450.34	.03	3,143.56
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	57,112.00	.02	1,142.24
331	Transmission and Distribution Mains	513,791.93	.05	26,341.93
333	Services	96,205.00	.03	3,206.83
334	Meters and Meter Installations	59,710.84	.04	2,138.51
335	Hydrants	1,230.00	.02	24.60
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	656,228.68	.05	33536.84
340	Office Furniture and Equipment	10,643.36	.09	925.37
341	Transportation Equipment	27,539.87	.09	2,375.00
343	Tools, Shop and Garage Equipment	2,895.00	.09	258.52
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment ^{AMORTIZATION / AID TO} _{CONST.}	<470,429.62>	.02	<9464.76>
348	Other Tangible Plant	34,581.54	.03	884.80
	TOTALS	1,677,288.29		81,239.62

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

M. T. TIPTON WATER Co., Inc

W - 02105 A

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 17,364	\$ 11,984
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	21,869	20,136
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 39,233	\$ 32,120
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,638,013	\$ 1,673,628
103	Property Held for Future Use SECURITY DEPOSITS	75,544	77,869
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	< 663,020 >	< 736,972 >
121	Non-Utility Property LAND	3,600	3,600
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 1,054,136	\$ 1,018,125
	TOTAL ASSETS	\$ 1,093,369	\$ 1,050,245

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME MT TIPTON WATER INC., INC. W-02105A

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 31,060	\$ 75,955
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	39,629	35,178
235	Customer Deposits	45,119	44,744
236	Accrued Taxes	54,487	55,784
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	4,800	8,800
	TOTAL CURRENT LIABILITIES	\$ 175,095	\$ 220,461
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 882,292	\$ 836,602
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	2,265	2500
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2,265	\$ 2,500
	TOTAL LIABILITIES	\$ 1,059,652	\$ 1,059,563
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	33,717	<9,318>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 33,717	\$ <9,318>
	TOTAL LIABILITIES AND CAPITAL	\$ 1,093,369	\$ 1,050,245

COMPANY NAME MT TIPTON WATER Co., INC W-62105A

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 289,371	\$ 283,317
460	Unmetered Water Revenue	17,707	1,673
474	Other Water Revenues	20,410	14,502
	TOTAL REVENUES	\$ 327,488	\$ 299,492
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 69,508	\$ 75,694
610	Purchased Water		
615	Purchased Power	37,129	35,535
618	Chemicals		
620	Repairs and Maintenance	39,365	13,861
621	Office Supplies and Expense	10,345	12,115
630	Outside Services	36,131	27,734
635	Water Testing	4,659	2,669
641	Rents		
650	Transportation Expenses	8,256	9,469
657	Insurance - General Liability	24,881	23,159
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		2537
675	Miscellaneous Expense	2,125	
403	Depreciation Expense	76,884	81,240
408	Taxes Other Than Income	26,597	21,290
408.11	Property Taxes	15,876	20,582
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 351,756	\$ 325,885
	OPERATING INCOME/(LOSS)	\$ < 24,268 >	\$ < 26,393 >
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 329	\$ 218
421	Non-Utility Income	10,855	11,350
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	20,597	19,738
	TOTAL OTHER INCOME/(EXPENSE)	\$ < 9,413 >	\$
	<i>PRIOR PERIOD ADJ.</i>	-	7,906
	NET INCOME/(LOSS)	\$ < 33,681 >	\$ < 42,470 >

COMPANY NAME

MT Tipton WATER Co., Inc

SUPPLEMENTAL FINANCIAL DATALong-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	8/13/71	8/07/98	4/3/00	8/23/01
Source of Loan	US RDA RD-91-02	US RDA RD 91-03	US RDA RD 91-05	WIFA 920044-02
ACC Decision No.				64287
Reason for Loan	SYS. IMP	SYS. IMP	SYS IMP	PURCH. DOLAN SPRINGS WATER CO. + IMP
Dollar Amount Issued	\$ 248,300	\$ 100,000	\$ 100,000	\$ 887,549
Amount Outstanding	\$ —	\$ 65,938	\$ 73,745	\$ 696,919
Date of Maturity		8/7/18	4/3/20	8/1/21
Interest Rate	5 %	4.5 %	4.5 %	4.725 %
Current Year Interest	\$ —	\$ 3,084	\$ 3,427	\$ 12,527
Current Year Principle	\$ —	\$ 4,764	\$ 4,421	\$ 35,859

Meter Deposit Balance at Test Year End

\$ 35,178

Meter Deposits Refunded During the Test Year

\$ 4,451

COMPANY NAME	MT Tipton Water Co., Inc
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-606511	20	40	600	8	2	1972
55-508835	20	32	700	8	2	1984
55-520732	12	7	540	8	2	1988
55-510178	15	40	900	8	3	1985
55-601846	15	40	465	8	2	1966
55-601847	40	28	500	6	2	1978
55-601848	Gravity	10	147	2	1	1992
55-601849	2	7	350	8	1 1/2	1962

* Arizona Department of Water Resources Identification Number

Not on line
55-502441

50

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1		3 (Blowoffs)
7.5	1		
5	2		
3	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200,000	1	1,000	1
100,000	2		
55,000	1		
50,000	2		
25,000	1		
10,000	3		

Note: If you are filing for more than one system, please provide separate sheets for each system.

8,500



COMPANY NAME	MT Tipton WATER Co., INC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	8945
3		1680
4		29645
5		
6		76580
8		11,490
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	772
3/4	
1	2
1 1/2	2
2	1
Comp. 3	
Turbo 3	
Comp. 4	1
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

None

STRUCTURES:

2 office Bldgs, pump house, fencing & Landscaping

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	MT TIPTON WATER Co. INC
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	757	3,414,860	4,801,946	-0
FEBRUARY	750	2,762,870	3,191,920	
MARCH	752	2,602,650	2,930,110	
APRIL	755	3,946,320	516,910	
MAY	750	3,410,240	399,610	
JUNE	756	4,337,620	408,800	
JULY	741	4,182,130	4717,190	
AUGUST	755	3,463,780	3,917,890	
SEPTEMBER	759	3,535,880	3,897,910	
OCTOBER	748	3,190,150	3,821,167	
NOVEMBER	751	2,789,740	3,288,791	
DECEMBER	748	1,602,970	1,843,690	
TOTALS →		37,913,890	8,953,648	-0

What is the level of arsenic for each well on your system? 0 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? GPM for hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 () Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME MT TIPTON WATER CO., INC. YEAR ENDING 12/31/2007**PROPERTY TAXES**Amount of actual property taxes paid during Calendar Year 2007 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 27 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>MOHAVE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>JUDY MORGAN - OFFICE MANAGER</u>
COMPANY NAME <u>MT. TIPTON WATER CO, INC.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

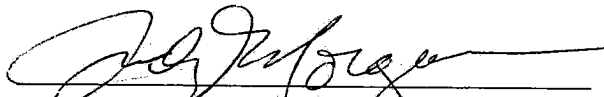
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



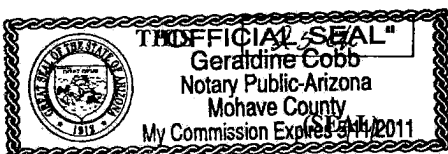
SIGNATURE OF OWNER OR OFFICIAL
928 967 3743

TELEPHONE NUMBER

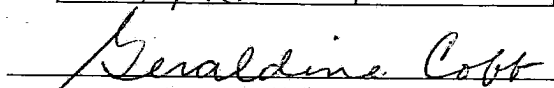
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME <u>MOHAVE</u>	
MONTH <u>APRIL</u>	YEAR <u>2008</u>



DAY OF april



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES MAY 11-2011

COMPANY NAME MT Tipton Water Co., Inc YEAR ENDING 12/31/2007INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

NA

Estimated or Actual Federal Tax Liability

NA

State Taxable Income Reported

NA

Estimated or Actual State Tax Liability

NA

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

NA

Amount of Gross-Up Tax Collected

NA

Total Grossed-Up Contributions/Advances

NA

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

RECEIVED
APR 27 2008
AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>MOHAVE</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Judy Morgan</u>
COMPANY NAME	<u>Mt. Tipton Water Co., Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
<u>\$ 316,286</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 16,294
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Judy Morgan
SIGNATURE OF OWNER OR OFFICIAL
928-767-3713
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 4/24/08 DAY OF

COUNTY NAME	<u>MOHAVE</u>	
MONTH	<u>April</u>	<u>2008</u>



Notary Public State of Arizona
Mohave County
Dianna L. Cavallo
Expires September 28, 2008

Dianna L. Cavallo (Kenny)
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

APR 27 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) MOHAVE	
NAME (OWNER OR OFFICIAL) Judy Morgan	TITLE MANAGER
COMPANY NAME MT TIPTON WATER CO., INC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2007
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

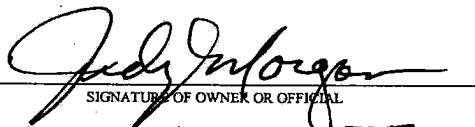
ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 316,286

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 16,794
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL
928 767 3713
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24th

DAY OF

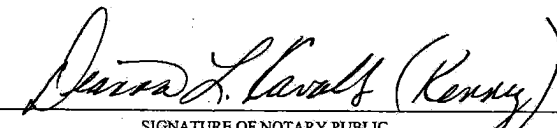
NOTARY PUBLIC NAME CAVALLO DIANNA L. KENNEY	
COUNTY NAME MOHAVE	
MONTH April	20 08

(SEAL)



Notary Public State of Arizona
Mohave County
Dianna L. Cavallo
My Commission Expires September 28, 2008

MY COMMISSION EXPIRES

X 
SIGNATURE OF NOTARY PUBLIC